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ABSTRACT

The influence of the private sector on education has been and continues to be significant. The use of scientific management in education, which led to standardized testing, accountability, and educational administration, came from the private sector. In recent times, many businesses have formed charitable and professional support partnerships with schools and school districts. This interest has widened into the area of educational reform. In some locations, private-sector representatives have been appointed to government educational bodies. In January 1992, a nationwide survey was conducted of 50 private-sector coalitions involved in statewide educational reform, promoting educational priorities by influencing state-level policy makers, and having voluntary individual or corporate memberships. The survey revealed that most of the coalitions were 5 years old or newer. The majority of the coalitions also consulted primarily business and state-level resources to shape their educational philosophies and plans of action. The coalitions' highest priority was improved student performance and changing the power structure of education. School choice received little or no support. On average, the state government representatives surveyed viewed private-sector coalitions favorably and saw them as valuable for developing and maintaining political relations. A list of private-sector coalitions in the United States is included. (JPT)

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Bloomington ■ Indianapolis

POLICY BULLETIN

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Private-Sector Coalitions and State-Level Education Reform

by Flo Hamrick

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At local, state, and national levels, the private sector is asserting its role as education's principal consumer. This role has become an influential one, as private-sector coalitions join state-level discussions on education reform. To get a better understanding of these groups, their priorities, and their effectiveness, the Bloomington office of the Indiana Education Policy Center conducted a nationwide study.

The Private Sector's Enduring Interest in Education

The private sector has long been involved in education. During the first three decades of this century, people, organizations, and ideas from the business world influenced schools to adopt the principles of scientific management—principles that led to standardized testing, accountability, and the profession of educational administration (Callahan, 1962). The private sector's connections with education have also included philanthropic activities, classroom volunteer programs, and vocational education technical committees.

More recently, many businesses have formed philanthropic and/or professional support partnerships with schools and school districts. The 1983 National Partnerships in Education Program, a Reagan administration initiative, encouraged businesses to become more involved with schools. In 1988, with the merger of the National School Volunteer Program and the National Symposium on Partnerships in Education, the National Association of Partners in Education (NAPE) was begun, and the number of school/business partnerships has grown exponentially. The Committee for Economic Development estimates that 40% of the nation's schools are engaged in 140,000 active projects with business (Weisman, 1991).

New Strategies for Private-Sector Influence

The private sector's long-standing interest in education projects and partnerships has broadened in recent years to include an interest in wider education reform. With this new interest, new strategies are evolving that will likely enable the private sector to influence education reform at the state level.

In one strategy, private-sector representatives have assumed official state duties as appointees to governmental bodies. For example, South Carolina's Business/Education Subcommittee, created in 1984 as part of the state's Education Improvement Act and composed of business leaders, educators, and government representatives, was charged with monitoring the act's implementation and designing accountability measures to improve educational performance.

In a second strategy, representatives from the private sector have formed groups, or private-sector coalitions (see box next page), where corporate and individual members pool resources and identify common concerns. Coalition activities have included creating agendas and strategic plans for state-level education reform. For example, COMMIT, formed in 1990, is a coalition of Indiana business leaders that has developed and marketed a four-point plan for improving

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Indiana's schools. The plan calls for (1) early-childhood initiatives to assess and improve children's readiness for school; (2) rigorous, objective academic standards and a statewide system to measure them, including a high school exit assessment; (3) site-based management for individual schools, freeing teachers from bureaucratic regulations; and (4) a voucher system for intra-district public school choice. Legislation containing the COMMIT plan received only committee consideration during the 1991 and 1992 legislative sessions, but through publicity and open discussion forums, COMMIT is keeping its agenda before the general assembly and in the public eye.

The Surveys

In January 1992, after a review of information on private-sector involvement in education generally and private-sector coalitions specifically, the Bloomington office of the Indiana Education Policy Center developed and mailed surveys to state government representatives in all 50 states. The surveys requested contact information and opinions about private-sector coalitions within each state. Representatives from 32 states responded, providing contact information for 50 coalitions.

The 50 private-sector coalitions were surveyed in February 1992 for information about their membership, educational priorities, and affiliations or influences. Completed surveys were received from 36 coalitions in 26 states.

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The Findings

Three broad questions about private-sector coalitions guided the analysis of survey responses. The principal findings of the study address those questions.

Private-Sector Coalitions: Common Characteristics

During the study's extensive literature review, the following characteristics were found to be common and distinguishing among private-sector coalitions. The survey asked state government representatives to use these characteristics to identify coalitions within their states.

- Coalitions perceive themselves as change agents for statewide education reform
- They promote their educational priorities by influencing state-level education policymakers and elected officials (e.g., governor, legislators)
- They have voluntary individual and/or corporate memberships

I. What are the key characteristics of private-sector coalitions?

- *Private-sector coalitions attempting to influence state education reform are relatively new.*

Most of the private-sector coalitions that responded to the survey have been in existence for five years and have focused on education reform specifically for the past three years.

- *The overwhelming majority of coalition members represent the private sector.*

Since these groups have been identified as private-sector coalitions, this finding may seem too obvious to mention, but some observers believe that broadening the representation in coalitions would be beneficial. For example, in *A Blueprint for Business on Restructuring Education (1989)*, the National Alliance of Business encourages private-sector coalitions to improve their chances for success by including educators, elected officials, and parents.

Among the private-sector coalitions in this study, nearly 80% of the members represent private-sector organizations; 32% are individual members and 47% are corporate members. Educators represent only 8.5% of coalition membership, and representation from state or local government, not-for-profit organizations, parents, and the community is even less.

Private-sector membership ranges from 65% to 100% of the total in all but 5 of the coalitions that participated in this study. In 10 of the 36 coalitions, the entire membership represents the private sector. There are a few private-sector coalitions, however, that are not dominated by corporate membership. Five of the coalitions have relatively large proportions of educators (from 30% to 44%) and/or parents and community members (from 10% to 55%).

- *In shaping their philosophies and rationales for action, private-sector coalitions consult primarily business and state-level resources.*

Affiliation with the Business Roundtable was cited by 27 of the 35 coalitions that responded to this survey item as undergirding their philosophies and/or rationales for action. Since the Business Roundtable is a national-level organization whose 200 members are CEOs of major U.S. corporations, the survey responses suggest that, at the national level, private-sector coalitions listen to big business.

Other important resources cited were state "report cards" on educational achievement (cited by 23 of 35) and self-produced reports (cited by 22 of 35). It appears that coalitions at the state level, rather than relying on existing interpretations of education data, use available data on educational achievement to form independent interpretations and to develop their

own education reform philosophies. The groups are particularly interested in data on educational achievement from state, rather than national, sources.

II. What are the educational priorities of private sector coalitions?

• *On average, private-sector coalitions place highest priority on improving student performance and changing the power structure of education.*

Given a list of 21 educational priorities, coalitions were asked to rate each item "of little or no concern," "somewhat important," or "very important" (see Table 1 on page 4). Coalitions gave high ratings to a number of priorities linked to student performance: student literacy, preschool education, math/science/technology programs, and student achievement testing.

Support for change in the education power structure was reflected in coalitions' high ratings for citizen and/or parent involvement, changes in state education governance structures, reduction or elimination of state regulations, site-based management, and teacher participation in decision making. Overall, the coalitions appear to favor deregulation of educational processes and, at the same time, greater specification of educational outcomes.

• *As an educational priority, school choice has little or no importance to private-sector coalitions, on average.*

Because of the obvious free-market implications of school choice and because many private-sector spokespersons have said school choice is necessary for meaningful education reform, one would have expected coalitions in this study to give choice a high priority rating. Surprisingly, that was not the general response. School choice as an educational priority received very low ratings overall in this survey. In the list of 21 priorities, school choice ranked 18th in the national composite of survey responses. Tuition vouchers and tax credit —often a part of school choice proposals—were also consistently rated low by responding coalitions.

Although many individuals representing the private sector have been vocal proponents of school choice, results from the present study suggest that state-level private-sector coalitions have the same lukewarm attitude toward school choice as has been ascribed to national business groups (Heritage Foundation, 1991). A geographic exception may be in the western states where, on average, survey respondents gave school choice a relatively high priority rating.

III. How effective are private-sector coalitions, and how is their effectiveness determined?

• *On average, state government representatives view private-sector coalitions as effective or somewhat effective.*

In addition to providing contact information for private-sector coalitions, state government representatives participating in the survey rated the effectiveness of each coalition they named. On a five-value scale, with 1 representing "very ineffective" and 5 representing "very effective," the average rating of the overall effectiveness of private-sector coalitions was 3.89. For more detailed information from survey data on the effectiveness of private-sector coalitions, see Table 2 on page 5.

• *According to state government representatives, student achievement testing is likely to be an educational priority of effective private-sector coalitions.*

State government representatives were asked to give their perceptions of the educational priorities of the private-sector coalitions they named. Only one priority, student achievement testing, was strongly correlated with the overall effectiveness ratings the coalitions received.

• *According to state government representatives, effective private-sector coalitions are good at developing and maintaining political relations.*

State government representatives were likely to link the effectiveness of private-sector coalitions to the groups' success in relations with state offices, in promotion of specific legislative proposals, and in efforts to build public support. The perceived effectiveness of a private-sector coalition, it appears, does not depend on its success in promoting a specific education reform agenda. Rather, a coalition's effectiveness is contingent on its success in negotiating within the state's political and public environments.

Conclusion

Individuals and groups representing the private sector have in recent years been active in shaping the discourse surrounding state-level education reform. Based on the variance in results of this study, it appears that private-sector coalitions have attempted to focus the attention of legislators and policymakers on the education reform issues and private-sector interests specific to their states. Coalitions are influenced by national business organizations, but they develop their education reform philosophies and agendas within a state-level context. These philosophies, interests, and agendas reflect diverse education priorities among private-sector coalitions and among states. In general, however, private-sector coalitions favor reforms that would change the educational power structure and improve educational performance by specifying student outcomes.

The results of this study also indicate that school choice is not as uniformly high a private-sector priority as the media have reported it to be. Given the controversy that has arisen in several states over proposed school choice policies, this issue may be emerging as a local, rather than a state or national, concern.

Private-sector influence in state-level discussions on education is

Table 1. Educational Priorities of Private Sector Coalitions: Mean Scores
(ranked in order of national mean score)

Scale: 3 "very important"
2 "somewhat important"
1 "of little or no concern"

Priority		*Geographic Region*[1]			
Nat'l. n=36		NE n=10	SE n=10	Cen n=9	West n=7
2.78	Student achievement testing/accountability	2.78	2.67	2.86	2.86
2.74	Site-based management	2.88	2.56	2.57	3.00
2.71	Student literacy	2.62	2.56	2.86	2.86
2.68	Citizen and/or parent involvement	2.62	2.78	2.71	2.57
2.62	School/business partnerships	2.50	2.60	2.86	2.57
2.58	Reduction or elimination of state regulations	2.50	2.44	2.57	2.86
2.58	Changes in state education governance structures	2.38	2.67	2.43	2.86
2.55	Math/science/technology programs	2.50	2.44	2.71	2.57
2.52	Teacher participation in decision making	2.75	2.44	2.43	2.43
2.50	Preschool education	2.89	2.22	2.57	2.29
2.36	Education finance reform	2.12	2.33	2.43	2.57
2.28	Teacher preparation and certification	2.44	2.00	2.29	2.43
2.26	Inservice training/professional development	2.50	2.11	2.14	2.29
2.25	Integration of education and social services	2.67	2.11	2.14	2.00
2.17	Vocational education (high school)	2.29	1.78	2.43	2.29
2.13	Dropout prevention	2.38	1.89	2.43	1.86
1.94	Higher education issues	1.89	1.89	2.43	1.57
1.81	School choice	1.56	1.56	1.86	2.43
1.80	Adult literacy	1.62	1.75	2.29	1.57
1.30	Vouchers/tax credits	1.00	1.33	1.29	1.57
1.26	Fundraisers to support educational improvement	1.25	1.44	1.29	1.00

[1]The list below shows the states represented by private-sector coalitions participating in this study. The number of coalitions in each state that returned completed surveys is in parentheses. The list is organized according to the geographic regions used by the Bureau of Economic Analysis of the U.S. Department of Commerce, the National Assessment of Educational Progress, and the National Education Association.

Northeast	*Southeast*	*Central*	*West*
Connecticut (1)	Alabama (1)	Indiana (1)	Arizona (1)
Maine (1)	Arkansas (1)	Iowa (2)	California (1)
Maryland (1)	Florida (2)	Kansas (1)	Oklahoma (2)
New Jersey (2)	Kentucky (1)	Minnesota (2)	Texas (1)
New York (2)	North Carolina (1)	Missouri (1)	Washington (2)
Pennsylvania (1)	Virginia (2)	Nebraska (2)	
Rhode Island (1)	West Virginia (2)		
Vermont (2)			

Table 2. Mean Effectiveness Rankings of Private-Sector Coalitions as Assigned by State Government Representatives
(ranked by national mean in descending order)

Scale:
5 "very effective"
4 "effective"
3 "neutral"
2 "ineffective"
1 "very ineffective"

Area of Effectiveness		*Geographic Region*			
Nat'l. n=36		NE n=10	SE n=10	Cen n=9	West n=7
3.93	Relations with governor's office	3.75	4.46	3.56	3.88
3.70	Relations with state superintendent's office	3.92	3.64	3.78	3.38
3.64	Promotion of specific legislative proposals	3.25	3.54	3.78	4.00
3.60	Relations with state legislature	3.42	3.82	3.56	3.62
3.58	Efforts to build public support	3.40	3.73	3.33	3.88
3.56	Use of media to publicize group's efforts	3.54	3.82	3.22	3.62
3.38	Relations with state school boards ass'n.	3.08	3.46	3.44	3.62
3.35	Relations with state board of education	3.58	3.46	3.22	3.00
3.30	Relations with state teachers association(s)	3.33	3.18	3.56	3.12
3.25	Relations with state school administrators association(s)	2.92	3.18	3.44	3.62
3.89	Overall effectiveness	3.70	3.91	3.75	4.25

strong and appears to be increasing, and coalitions have evolved as a key private-sector strategy for exercising that influence. It is in the best interest of education policymakers to understand private-sector coalitions, their reform agendas, and their bid for a role in the processes and outcomes of education reform.

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Heritage Foundation. (1991, September). Business groups criticize America 2000. *Business/Education Insider*, p. 1-2.

National Alliance of Business. (1989). *A blueprint for business on restructuring education*. Washington, DC: Author.

Weisman, J. (1991, July 31). Educators watch with a wary eye as business gains policy muscle. *Education Week*, pp. 1, 25.

Private-Sector Coalitions: Survey Participants*

Alabama

A+, The Coalition for Better Education
P.O. Box 63
Montgomery, AL 36101

Arkansas

Arkansas Business and Education Alliance
1111 W. Capitol
Room 1096
Little Rock, AR 72201

California

California Business Roundtable
130 Kearny St., 37th Floor
San Francisco, CA 94108

Connecticut

Connecticut Business for Education Coalition, Inc.
39 Old Ridgebury Road
Danbury, CT 06817

Florida

Florida Council of 100
6200 Courtney Campbell Causeway
Bay Court Plaza, Suite 845
Tampa, FL 33607

Florida Education and Industry Coalition
136 S. Bronough St.
P.O. Box 11309
Tallahassee, FL 32302

Indiana

COMMIT, Inc.
251 N. Illinois St.
Suite 1660
Indianapolis, IN 46204

Iowa

Des Moines Development Corporation
Suite 1029, Two Ruan Center
601 Locust St.
Des Moines, IA 50309

Iowa Business and Education Roundtable
Grimes State Office Building
Des Moines, IA 50319

Kansas

Kansas Chamber of Commerce and Industry
500 Bank IV Tower
Topeka, KS 66603

Kentucky

Pritchard Committee
P.O. Box 1658
Lexington, KY 40592

(Continued on next page.)

**Three of the thirty-six private-sector coalitions that participated in the survey elected not to be named.*

(Continued from previous page)

Maine

Maine Coalition for Excellence in Education
45 Memorial Circle
Augusta, ME 04330

Maryland

Maryland Business Roundtable
Maryland Economic Growth Association
111 S. Calvert St.
Baltimore, MD 21202

Minnesota

Minnesota Business Partnership
4050 IDS Center
Minneapolis, MN 55402

Minnesota High Technology Council
708 S. Third St.
Suite 530
Minneapolis, MN 55415

Missouri

Business Alliance for Quality Education
411 Jefferson
Jefferson City, MO 65101

Nebraska

Greater Omaha Chamber of Commerce
1301 Harney St.
Omaha, NE 68102

Nebraska Chamber of Commerce and Industry
1320 Lincoln Mall
Suite 201
Lincoln, NE 68508

New Jersey

Invest in Children
Association for Children of New Jersey
35 Halsey St.
Newark, NJ 07102

Quality Education Commission
540 Broad St.
Room 503B
Newark, NJ 07101

New York

The Business Council of New York State, Inc.
152 Washington Ave.
Albany, NY 12210

New York City Partnership
One Battery Park Plaza
New York, NY 10004

North Carolina

North Carolina Business Committee for Education
116 W. Jones St.
Raleigh, NC 27603

Oklahoma

Task Force 2000
State Capitol Building
Oklahoma City, OK 73105

Pennsylvania

Pennsylvania Business Roundtable
208 N. Third St.
Harrisburg, PA 17101

Rhode Island

Rhode Island Skills Commission
56 Pine St.
Providence, RI 02903

Texas

Texas Business and Education Coalition
900 Congress Ave.
Suite 501
Austin, TX 78701

Vermont

Vermont Business Roundtable
Courthouse Plaza
199 Main St.
Burlington, VT 05401

Virginia

Virginia Business/Education Partnership
223 Governor St.
Richmond, VA 23219

Virginia State Chamber of Commerce
9 S. Fifth St.
Richmond, VA 23219

Washington

Association of Washington Business
P.O. Box 658
Olympia, WA 98507

West Virginia

West Virginia Education Fund
1520 Kanawha Valley Bldg.
Charleston, WV 25301

West Virginia Roundtable, Inc.
1119 Charleston National Plaza
Charleston, WV 25301

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